UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 06-60186

18 U.S.C. § 286
18 U.S.C. § 371
18 U.S.C. § 1035
18 U.S.C. § 1956
42 U.S.C. § 1320a-7b
18 U.S.C. § 982

CR-COOKE
MAGISTRATE JUDGE
BROWN

UNITED STATES OF AMERICA)
)
Plaintiff,)
)
v.)
)
ALTHEA N. GRAVES,)
a.k.a. Althea Richards,)
BERNARD R. GRAVES Jr.,)
YVONNE MAY RICHARDS,)
a.k.a. Yvonne Howell, and)
NEIL LEDER,)
)
Defendants.)
_____/

INDICTMENT

The Grand Jury charges that:

At all times material to this Indictment, except as otherwise noted:

GENERAL ALLEGATIONS

The Medicare Program

1. Medicare was a health care benefit program, as defined in Title 18, United States Code, Section 24, which was designed to provide medical services, medical equipment and supplies

to the elderly, blind and disabled beneficiaries pursuant to the Social Security Act (Title 42, United States Code, Section 301, et seq.). The Medicare program was and is administered by the United States Department of Health and Human Services (HHS), through its agency, the Centers for Medicare and Medicaid Services (CMS), formerly known as the Health Care Financing Administration (HCFA).

2. HHS was and is a Department of the United States with responsibilities pursuant to federal law for the funding, administration and supervision of certain health care benefit programs, including the Medicare program. CMS was and is an agency of the United States.

3. Medicare Part A provided basic protection against the costs of hospital, related post-hospital, partial hospitalization, home health services, and hospice care. Benefits included psychiatric partial hospitalization program (PHP) services provided by hospitals or community mental health centers (CMHCs). A CMHC that elects to participate in the Medicare Part A program is known as a provider.

Partial Hospitalization Program

4. A PHP was an intensive outpatient program of psychiatric services provided to patients instead of inpatient psychiatric hospitalization. It was designed to provide patients who had profound and disabling mental health conditions with an individualized, coordinated, comprehensive, and multidisciplinary treatment program.

5. Patients meeting Medicare coverage requirements for PHP services fell into two groups: (1) those patients who were being discharged from an inpatient psychiatric hospital treatment program, and the PHP was in lieu of continued inpatient treatment; or, (2) those patients who, in the absence of partial hospitalization, would require inpatient hospitalization. As to the

second group, it was generally expected that less intensive treatment in an outpatient setting be attempted prior to admission to into a PHP.

6. Medicare coverage and eligibility requirements also included, among others, the requirement that:

a. The services were reasonable and necessary for the diagnosis and active treatment of the individual's condition;

b. The patient was under the care of a physician who certified the need for the services;

c. The patient or legal guardian provided written informed consent for PHP treatment;

d. The patient required comprehensive treatment because of a mental disorder that severely interfered with multiple areas of daily life. The dysfunction must have been an acute illness or an exacerbation of a chronic illness that was acute in nature;

e. The patient had the mental and physical capacity to have actively participated in all phases of the program;

f. There was a reasonable expectation of improvement of the patient's disorder and level of functioning as a result of treatment in the PHP;

g. The treatment directly addressed the patient's problems necessitating admission to the PHP, and was vigorous and proactive as opposed to passive and custodial;

h. The treatment was pursuant to an individualized treatment plan developed by the physician and multidisciplinary team, with the patient's involvement.

7. In order to qualify for reimbursement, Medicare required that certain documentation be maintained in the patient's medical record, which Medicare could review to determine eligibility for coverage. The required documentation included:

a. Physician certifications and re-certifications of need for PHP treatment;

b. Initial Psychiatric Evaluations reflecting the results of an initial psychiatric evaluation, medical history and physical examination establishing the medical necessity for PHP services;

c. Treatment Plans and Treatment Plan Updates setting forth an individualized multidisciplinary treatment plan; and

d. Progress Notes for each billed service setting forth the name and credentials of the rendering team member, the contents of the intervention, and the results of the intervention, including the patient's response to the intervention.

Reimbursement for PHP Services

8. HHS, through CMS, contracted with a fiscal intermediary, First Coast Services Options (FCSO), to administer the Medicare Program as it related to Medicare Part A claims for PHP services in Florida. FCSO, on behalf of HHS/CHS, accepted claims for reimbursement submitted by CMHCs for PHP services.

9. During the time period covered by this Indictment, Medicare employed two different methods for reimbursing providers of PHP services. Prior to August 2000, CMHCs providing PHP services were reimbursed on an actual cost basis, that is, Medicare reimbursed CMHCs an amount equal to the expenses incurred by the CMHC for providing PHP services to Medicare beneficiaries. Beginning in August 2000, Medicare began reimbursing CMHCs that provided PHP services under a prospective payment system, that is, Medicare reimbursed CMHCs a set amount for each day qualifying services were rendered.

10. Under both reimbursement methods, CMHCs providing PHP services were required to prepare and submit two types of documents in order to receive reimbursement from Medicare: 1) claim forms, known as HCFA -1450 (UB-92), reporting the specific services which had been rendered, and 2) annual cost reports detailing the expenses incurred by the CMHC in operating the PHP.

11. Under the pre-August 2000 cost-based method of reimbursement, providers would receive interim payments periodically throughout the year (periodic interim payments) that were based on an estimate of the actual costs the provider would incur in treating the provider's Medicare patients. The periodic interim payments were calculated using information submitted by the provider throughout the year on UB-92 claim forms reporting the number and type of therapy services that had been rendered by the provider. At the end of the year, CMHCs were required to submitted a final accounting of their costs for the year to the fiscal intermediary in a cost report. The fiscal intermediary used the cost report to determine the total reimbursement actually due the provider for Medicare services that year.

12. After receiving a provider's cost report, the fiscal intermediary would make a tentative adjustment or settlement of accounts for the cost-report year. The fiscal intermediary made the adjustment by computing the difference between the interim payment amounts received by the provider during the year and the amount determined from the cost report data to be the actual cost of services furnished to the Medicare patients. This review determined whether the provider was overpaid during the year, thus owing money to Medicare, or underpaid, in which case the provider was due money from Medicare. The final adjustment or settlement occurred up to several years later after further detailed review of the cost report, which may have included a full audit.

13. Although all cost reports were subject to audit, because fiscal intermediaries only had sufficient resources to audit a very small number of the cost reports filed each year, the process of finalizing cost report audits typically took two to three years from filing, and the audits often only focused on portions of the cost report. For these reasons, the Medicare cost reporting system relied substantially on the good faith of providers to prepare and file accurate cost reports.

14. To qualify for reimbursement, the costs reported on the cost report must have been: (1) for a Medicare-covered service, (2) related to patient care, and (3) reasonable. A reasonable cost was the cost actually incurred by the provider for the service and excluded any part of the cost that was unnecessary in the efficient delivery of needed health services.

15. Reasonable costs included the provider's direct and indirect costs of patient care. Direct costs typically related to the specific care of individual patients, while indirect costs, e.g., overhead, typically related to the actual operation of the CMHC. Indirect costs included such expenses as the CMHC's administrative and maintenance costs that were appropriate and helpful in developing and maintaining the operation of the facility. To determine reimbursement amounts, Medicare apportioned the provider's allowable indirect costs between Medicare patients and non-Medicare patients and then paid the share of the costs that related to the Medicare patients.

16. Although Medicare began reimbursing CMHCs that provided PHP services under a prospective payment system (fee-based reimbursement) in August 2000, CMHCs were still required to file cost reports with Medicare. The information in the cost reports was used to determine if a provider qualified for payments from Medicare in addition to the fee-for-service payments (PPS). These payments included special transitional payments (TOPS) and supplemental (outlier) payments to providers who reported unusually high costs of providing services. Also, a provider seeking

reimbursement for bad debt expense did so through the filing of a cost report. Additionally, Medicare relied on the cost information in cost reports to set reimbursement rates for future years.

17. Federal regulations required Part A providers to furnish the fiscal intermediary with accurate and sufficient data to ensure proper payment.

18. In preparing cost reports, providers were required to use standardized definitions and follow accounting, statistical, and reporting practices that were widely accepted in the health care industry.

19. The cost report was required to be signed by the provider's administrator or chief financial officer. The signing official was required to certify that the report was "true, correct, complete and prepared from the books and records of the provider in accordance with applicable instructions, except as noted." The signing official further certified familiarity with the laws and regulations regarding the provision of health care services and attested that the services identified in the cost report were provided in compliance with those laws and regulations.

20. Moreover, when electing to participate in the Medicare program, the provider enters into a contract with HHS/CMS in which the provider agrees to conform to all applicable statutory and regulatory provisions relating to Medicare reimbursement.

21. Among the statutory provisions that were specifically required to be followed were the provisions of the anti-kickback statute, 42 U.S.C. § 1320a-7b. Under this statute, it was unlawful for a person to pay or offer to pay, or to solicit or receive, kickbacks, bribes or rebates in return for ordering medical services that might be paid for by the Medicare program or for referring Medicare beneficiaries to providers of medical services or products that might be paid for by the Medicare program. Congress enacted this statute for the purpose of preventing fraud and abuse in

the Medicare program, to avoid creating incentives for unnecessary medical treatments, and to prevent unnecessary increases in the costs of the Medicare program.

22. Medicare did not consider a claim resulting from a kickback arrangement a qualified claim, and would not knowingly reimburse for any such services rendered as a result of such an arrangement.

The Entity

23. Oakland Community Health Center Inc. was a Florida corporation which had been issued a Medicare provider number as a CMHC. As such, Oakland Community Health Center Inc. was authorized to submit claims to the Medicare Part A program for PHP services.

24. From 1996 through 2003, claim forms and cost reports were submitted to the Medicare Program through Oakland Community Health Center Inc. which claimed in excess of $25 million in reimbursement. As a result of these claims, Medicare paid in excess of $10 million to Oakland Community Health Center Inc.

The Defendants

25. BERNARD R. GRAVES Jr. was the Administrator and part owner of Oakland Community Health Center Inc. Defendant BERNARD R. GRAVES Jr., applied for and obtained a Medicare provider number for Oakland Community Health Center Inc. Defendant BERNARD R. GRAVES Jr., was the signor on Oakland Community Health Center Inc.'s cost reports.

26. ALTHEA N. GRAVES was the Assistant Administrator of Oakland Community Health Center Inc., and had an undisclosed ownership interest in the entity. As the Assistant Administrator and part owner, Defendant ALTHEA N. GRAVES was intimately involved in the daily business operations of Oakland Community Health Center Inc., and controlled or influenced

most of the business and financial decisions at Oakland Community Health Center Inc.

27. YVONNE MAY RICHARDS, who is the mother of Defendant ALTHEA N. GRAVES, was the Clinical Director at Oakland Community Health Center Inc., and was intimately involved in running the clinical operations at Oakland Community Health Center Inc.

28. NEIL LEDER was a licensed clinical social worker (LCSW), who provided therapy services at Oakland Community Health Center Inc. Defendant NEIL LEDER acted as the lead therapist at Oakland Community Health Center Inc. during part of his employment at Oakland Community Health Center Inc.

COUNT 1
(CONSPIRACY TO SUBMIT FALSE CLAIMS)
(18 U.S.C. § 286)

29. The allegations contained in paragraphs 1 through 28 of this Indictment are incorporated as if fully set forth herein.

30. From in or about February 1996, and continuing to in or about January 2003, the exact dates being unknown to the Grand Jury, at Broward County, in the Southern District of Florida and elsewhere, the defendants,

ALTHEA N. GRAVES,
a.k.a. Althea Richards,
BERNARD R. GRAVES Jr. and
YVONNE MAY RICHARDS,
a.k.a. Yvonne Howell,

and other persons known and unknown to the Grand Jury, did knowingly and willfully enter into an agreement and conspiracy with each other to defraud the United States by obtaining the payment of false, fictitious and fraudulent claims through Oakland Community Health Center Inc.

OBJECT OF THE CONSPIRACY

31. It was the object of the conspiracy that the defendants and Oakland Community Health Center Inc. would receive payments which they were not entitled to from the Medicare program through the submission of false claims to the Medicare Program through Oakland Community Health Center Inc.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendants sought to accomplish the object of the conspiracy included the following:

32. The defendants caused claims, using Form UB-92, to be prepared and submitted to the Medicare Program seeking payment for Partial Hospitalization Program services that:

a. were not medically necessary;

b. were not actually rendered;

c. were not rendered as claimed;

d. were conducted by unlicensed personnel and were therefore non-reimbursable;

e. were conducted at another non-Medicare approved facility, Guiding Light Community Center, Inc., but submitted through Oakland Community Health Center Inc. as though the services were performed at Oakland Community Health Center Inc., and were therefore non-reimbursable; and

f. were the result of kickbacks and bribes to owners, operators and administrators of assisted living facilities (ALFs) for the referral of ALF residents to Oakland Community Health Center Inc. for services, and were therefore non-reimbursable.

33. The defendants caused cost reports to be prepared and submitted to the Medicare Program reporting expenses and claiming reimbursement for expenses allegedly incurred by Oakland Community Health Center Inc. in connection with the provision of Partial Hospitalization Program services to Medicare beneficiaries, that:

a. were for medically unnecessary services;

b. were for services that were not actually rendered;

c. were for services that were not rendered as claimed;

d. were for services that were conducted by unlicensed personnel and were therefore non-reimbursable;

e. were for services conducted at another unapproved facility, Guiding Light Community Center, Inc., but submitted through Oakland Community Health Center Inc. as though the services were performed at Oakland Community Health Center Inc., and were therefore non-reimbursable;

f. were the result of kickbacks and bribes to owners, operators and administrators of assisted living facilities for the referral of ALF residents to Oakland Community Health Center Inc. for services, and were therefore non-reimbursable.

g. were not actually incurred or were otherwise excessive and unreasonable;

h. were inflated because some or all of the reported expense payments were kicked-back to one or more of the defendants;

i. were incurred through inflated and undisclosed related party transactions, and were therefore non-reimbursable;

j. were personal expenses of the defendants and were therefore non-reimbursable;

k. were expenses incurred in the operation of Basic Home Care Medical Supplies and Equipment, Inc., and were therefore non-reimbursable;

l. were non-qualifying bad debt expense; and

m. were not reasonable and necessary for the provision of services to Medicare beneficiaries and were therefore non-reimbursable.

All in violation of Title 18, United States Code, Section 286.

COUNT 2
(CONSPIRACY TO MAKE FALSE DOCUMENTS RELATING TO HEALTH CARE MATTERS)
(18 U.S.C. § 371)

34. The allegations contained in paragraphs 1 through 28 of this Indictment are incorporated as if fully set forth herein.

35. From on or about August 21, 1996, the effective date of the statute, and continuing to in or about January 2003, the exact dates being unknown to the Grand Jury, at Broward County, in the Southern District of Florida and elsewhere, the defendants,

ALTHEA N. GRAVES,
a.k.a. Althea Richards,
BERNARD R. GRAVES Jr.,
YVONNE MAY RICHARDS,
a.k.a. Yvonne Howell, and
NEIL LEDER,

did knowingly and willfully combine, conspire, confederate and agree with each other and with other persons known and unknown to the Grand Jury to commit an offense against the United States, that is, to knowingly and willfully make and use materially false writings and documents in connection with the delivery of and payment for health care benefits, items and services involving a health care benefit program, in violation of Title 18, United States Code, Section 1035(a)(2).

OBJECT OF THE CONSPIRACY

36. It was the object of the conspiracy for the defendants to unjustly enrich themselves by causing false information and entries to be placed in medical records and false medical records to be prepared in an attempt to support false claims for reimbursement that defendants caused to be submitted to the Medicare Program through Oakland Community Health Center Inc. for Partial Hospitalization Program services.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendants sought to accomplish the object of the conspiracy included the following:

37. The defendants caused Patient Intake Forms to be prepared that:

a. contained false, fictitious and fraudulent information and entries concerning patients' prior psychiatric hospitalization and out-patient treatment history; and

b. contained false, fictitious and fraudulent information and entries concerning patients' presenting problems, patients' physical appearance, affect, mood and mental state.

38. The defendants caused Physician Initial Psychiatric Evaluation reports to be prepared that:

a. contained false, fictitious and fraudulent information and entries regarding patients' prior psychiatric hospitalization and out-patient treatment history;

b. contained false, fictitious and fraudulent information and entries regarding patients' presenting problems, patients' physical appearance, affect, mood and mental state;

c. contained false, fictitious and fraudulent information and entries regarding patients' diagnoses;

d. contained false, fictitious and fraudulent information and entries concerning the need for Partial Hospitalization Program services or qualification for admission to a Partial Hospitalization Program under Medicare admission and reimbursement criteria; and

e. contained false, fictitious and fraudulent information and entries regarding the dates the evaluations were conducted.

39. The defendants caused Physician Admission Orders and Certifications, and Physician Continued Stay Orders and Re-certifications, to be prepared that falsely certified the medical necessity and continued medical necessity for Partial Hospitalization Program services.

40. The defendants caused Physician Admission Orders and Certifications, and Physician Continued Stay Orders and Re-certifications, to be prepared that contain false fictitious and fraudulent information concerning the dates the certifications were made.

41. The defendants caused Physician Progress Notes to be prepared that:

a. falsely reported results of follow-up visits between the physician and patients when no follow-up visit or evaluation was actually conducted;

b. falsely reported the existence and results of multi-disciplinary meetings between the physician and staff when no multi-disciplinary meeting was actually conducted;

c. contained false, fictitious and fraudulent information regarding patients' presenting problems, patients' physical appearance, affect, mood and mental state;

d. contained false, fictitious and fraudulent diagnoses; and

e. contained false, fictitious and fraudulent information and entries concerning the continued need for Partial Hospitalization Program services or continued qualification for treatment in a Partial Hospitalization Program under Medicare

admission and reimbursement criteria.

42. The defendants caused Psychosocial Assessment reports to be prepared that:

a. contained false, fictitious and fraudulent information and entries regarding patients' prior psychiatric hospitalization and out-patient treatment history;

b. contained false, fictitious and fraudulent information and entries regarding patients' presenting problems, patients' physical appearance, affect, mood and mental state;

c. contained false, fictitious and fraudulent information and entries regarding patients' diagnoses;

d. contained false, fictitious and fraudulent information and entries concerning the need for Partial Hospitalization Program services or qualification for admission to a Partial Hospitalization Program under Medicare admission and reimbursement criteria;

e. contained false, fictitious and fraudulent information and entries regarding the dates the assessments were conducted; and

f. contained false, fictitious and fraudulent information and entries regarding the identity of the therapist who performed or prepared the assessment.

43. The defendants caused Treatment Plans and Treatment Plan Updates to be prepared that:

a. falsely reported that multi-disciplinary meetings between the physician, staff and patients were conducted when no multi-disciplinary meeting was actually conducted as reflected in the documents; and

b. contained false, fictitious and fraudulent information and entries regarding patients' presenting problems, patients' physical appearance, affect, mood, mental state,

progress and need for participation in a Partial Hospitalization Program.

44. The defendants caused Group Therapy Progress Notes to be prepared that:

a. contained false, fictitious and fraudulent information and entries regarding the patients' presenting problems, the patients' physical appearance, affect, mood and mental state;

b. contained false, fictitious and fraudulent information and entries regarding the patients' level of participation in group therapy sessions;

c. contained false, fictitious and fraudulent information and entries regarding the patients' verbal responses given in group therapy sessions;

d. contained false, fictitious and fraudulent information and entries regarding the dates the group therapy progress notes were prepared; and

e. contained false, fictitious and fraudulent information and entries regarding the identity of the therapist who conducted the group therapy session or who prepared the note.

45. The defendants caused signatures of patients to be placed on blank forms in order to facilitate the preparation of false documents.

46. The defendants caused photocopies or forgeries of patients' signatures to be placed on blank forms or completed medical documentation and other related forms.

47. The defendants caused forged signatures of one or more of the treating/ordering physicians to be placed on medical documentation through forgery or through photocopying the physician's signature onto the document.

48. The defendants caused copies of therapists' signatures to be on medical documentation through the photocopying of therapists' signatures on documentation, including psychosocial assessments, group therapy notes and treatment plans.

49. The defendants caused group therapy notes to be prepared for group therapy sessions that were never conducted.

50. The defendants caused group therapy notes to be prepared reflecting the attendance of patients who were not actually present for the group therapy sessions.

51. The defendants caused the preparation of financial evaluation forms that containing false, fictitious or fraudulent information regarding the financial condition of patients or failing to list material information regarding the patients' financial condition or other insurance coverage.

52 The defendants caused the preparation of bills and collection notices reflecting attempts to collect co-payments and deductibles from patients that were never actually sent or presented to patients or their guardians in an attempt to collect the co-payments and deductibles.

OVERT ACTS

In furtherance of the conspiracy and to effect its object, one or more of the conspirators, within the Southern District of Florida, and elsewhere, during the time period covered by this count of the Indictment, committed one or more of the following overt acts, among others:

53. Defendants prepare and caused the preparation of false, fraudulent or fictitious Patient Intake Forms, Physician Initial Psychiatric Evaluation reports, Physician Admission Orders and Certifications, Physician Continued Stay Orders and Re-certifications, Physician Progress Notes, Psychosocial Assessment reports, Treatment Plans, Treatment Plan Updates, and Group Therapy Progress Notes.

54. Defendants prepared and caused the preparation of false, fraudulent or fictitious documents concerning the financial condition of patients.

55. Defendants caused the preparation of false, fraudulent or fictitious bills and collection notices.

56. The acts listed in Counts 3 through 23 of this Indictment are incorporated herein by reference as overt acts.

All in violation of Title 18, United States Code, Section 371.

COUNTS 3-21
(FALSE STATEMENTS RELATING TO HEALTH CARE MATTERS)
(18 U.S.C. § 1035)

57. The allegations contained in paragraphs 1 through 28 of this Indictment are incorporated as if fully set forth herein.

58. On or about the dates listed below, the exact dates being unknown to the Grand Jury, at Broward County, in the Southern District of Florida, the defendants,

ALTHEA N. GRAVES,
a.k.a. Althea Richards,
BERNARD R. GRAVES Jr., and
YVONNE MAY RICHARDS,
a.k.a. Yvonne Howell,

in a matter involving a health care benefit program, that is, Medicare, did knowingly and willfully make and cause to be made materially false writings and documents, specifically the admission orders, certifications, treatment plans and financial evaluation statements set forth below, knowing such writings and documents to contain materially false, fictitious and fraudulent statements and entries, in connection with the delivery of and payment for health care benefits and services, in that the documents contained forged or photocopied signatures of the purported signing physician,

therapist and/or patient, and/or were fraudulently pre-signed, as set forth below:

COUNT	DATE	DOCUMENT
3	7/6/01	Weekly master treatment plan update dated 7/6/01 for patient D.O. containing photocopied signature of patient D.O.
4	7/13/01	Weekly master treatment plan update dated 7/13/01 for patient D.O. containing photocopied signature of patient D.O.
5	7/20/01	Weekly master treatment plan update dated 7/20/01 for patient D.O. containing photocopied signature of patient D.O.
6	9/25/01	Admission certification dated 9/25/01 for patient C.M. containing photocopied signature for certifying physician
7	10/12/01	Physician re-certification order dated 10/12/01 for patient C.M. containing photocopied signature for certifying physician
8	10/25/01	Physician re-certification order dated 10/25/01 for patient C.M. containing photocopied signature for certifying physician
9	10/31/01	Weekly master treatment plan update dated 10/31/01 for patient C.M. containing photocopied signature of physician and defendant YVONNE MAY RICHARDS
10	11/7/01	Pre-signed weekly master treatment plan update dated 11/7/01 for patient C.M. containing photocopied signature of physician
11	10/3/01	Admission certification dated 10/3/01 for patient P.W. containing photocopied signature for certifying physician
12	10/19/01	Physician re-certification order dated 10/19/01 for patient P.W. containing photocopied signature for certifying physician
13	11/15/01	Pre-signed weekly master treatment plan update dated 11/15/01 for patient P.W. containing photocopied signature of patient P.W.

COUNT	DATE	DOCUMENT
14	11/22/01	Pre-signed weekly master treatment plan update dated 11/22/01 for patient P.W. containing photocopied signature of patient P.W.
15	9/3/02	Physician re-certification order dated 9/3/02 for patient P.J. containing photocopied or forged signature for certifying physician
16	9/6/02	Weekly master treatment plan update dated 9/6/02 for patient P.J. containing photocopied signature of patient P.J., the physician, nurse and therapists
17	9/13/02	Weekly master treatment plan update dated 9/13/02 for patient P.J. containing photocopied signature of patient P.J., the physician, nurse and therapists
18	9/20/02	Weekly master treatment plan update dated 9/20/02 for patient P.J. containing photocopied signature of patient P.J., the physician, nurse and therapists
19	1/27/03	Pre-dated and pre-signed Partial Hospitalization Program Physician's Order for patient M.H. dated 1/27/03
20	1/27/03	Pre-dated and pre-signed Partial Hospitalization Program Integrated Summary/Physical Order for patient M.H. dated 1/27/03
21	1/27/03	Pre-dated and pre-signed, but otherwise blank, Financial Evaluation Statement for patient M.H. dated 1/27/03

All in violation to Title 18, United States Code, Sections 1035 and 2.

COUNT 22
(FALSE STATEMENTS RELATING TO HEALTH CARE MATTERS)
(18 U.S.C. § 1035)

59. The allegations contained in paragraphs 1 through 28 of this Indictment are incorporated as if fully set forth herein.

60. On or about October 3, 2002, the exact date being unknown to the Grand Jury, at Broward County, in the Southern District of Florida, the defendants,

ALTHEA N. GRAVES,
a.k.a. Althea Richards,
BERNARD R. GRAVES Jr., and
YVONNE MAY RICHARDS,
a.k.a. Yvonne Howell,

in a matter involving a health care benefit program, that is, Medicare, did knowingly and willfully make and cause to be made a materially false writing and document, that is, a cost report for Oakland Community Health Center Inc. for presentation to First Coast Service Options, acting as HHS's fiscal intermediary, knowing that such writing and document contained materially false, fictitious and fraudulent statements and entries in connection with the delivery of and payment for health care benefits and services, in that said cost report contained false entries and statements regarding the actual and reasonable expenses incurred by Oakland Community Health Center Inc. in providing Partial Hospitalization Program services to Medicare beneficiaries during the year 2000, falsely certified that the information contained in the cost report was true and accurate, and falsely certified the services were provided in compliance with applicable statutes and Medicare rules and regulations, in violation of Title 18, United States Code, Sections 1035 and 2.

COUNT 23
(FALSE STATEMENTS RELATING TO HEALTH CARE MATTERS)
(18 U.S.C. § 1035)

61. The allegations contained in paragraphs 1 through 28 of this Indictment are incorporated as if fully set forth herein.

62. On or about October 26, 2002, the exact date being unknown to the Grand Jury, at Broward County, in the Southern District of Florida, the defendants,

ALTHEA N. GRAVES,
a.k.a. Althea Richards,
BERNARD R. GRAVES Jr., and
YVONNE MAY RICHARDS,
a.k.a. Yvonne Howell,

in a matter involving a health care benefit program, that is, Medicare, did knowingly and willfully make and cause to be made a materially false writing and document, that is, a cost report for Oakland Community Health Center Inc. for presentation to First Coast Service Options, acting as HHS's fiscal intermediary, knowing that such writing and document contained materially false, fictitious and fraudulent statements and entries in connection with the delivery of and payment for health care benefits and services, in that said cost report contained false entries and statements regarding the actual and reasonable expenses incurred by Oakland Community Health Center Inc. in providing Partial Hospitalization Program services to Medicare beneficiaries during the year 2001, falsely certified that the information contained in the cost report was true and accurate, and falsely certified the services were provided in compliance with applicable statutes and Medicare rules and regulations, in violation of Title 18, United States Code, Sections 1035 and 2.

COUNT 24
(CONSPIRACY TO PAY KICKBACKS)
(18 U.S.C. § 371)

63. The allegations contained in paragraphs 1 through 28 of this Indictment are incorporated as if fully set forth herein.

64. From in or about February 1996, and continuing to in or about January 2003, the exact dates being unknown to the Grand Jury, at Broward County, in the Southern District of Florida and elsewhere, the defendants,

ALTHEA N. GRAVES,
a.k.a. Althea Richards,
BERNARD R. GRAVES Jr., and
YVONNE MAY RICHARDS,
a.k.a. Yvonne Howell,

did knowingly and willfully combine, conspire, confederate and agree with each other and with other persons known and unknown to the Grand Jury to commit an offense against the United States, that is, to knowingly and willfully offer and pay remuneration, that is, kickbacks and bribes, to owners, operators and administrators of Assisted Living Facilities in order to induce them to refer individuals to Oakland Community Health Center Inc. for the furnishing of items or services for which payment may be made under the Medicare Program, in violation of Title 42, United States Code, Section 1320a-7b(b)(2).

OBJECT OF THE CONSPIRACY

65. It was the object of the conspiracy that the defendants would obtain the referral of Assisted Living Facility (ALF) residents to Oakland Community Health Center Inc. for Partial Hospitalization Program services by offering to pay and by paying kickbacks and bribes to the owners, operators and administrators of ALFs.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendants sought to accomplish the object of the conspiracy included the following:

66. The defendants offered to pay and caused offers to pay to be made to owners, operators and administrators of ALFs in exchange for the referral of ALF residents to Oakland Community Health Center Inc. for Partial Hospitalization Program services for which payment might have been made, in whole or in part, from the Medicare Program.

67. The defendants paid and caused payments, both cash and in-kind, to be made to owners, operators and administrators of ALFs in exchange for the referral of ALF residents to Oakland Community Health Center Inc. for Partial Hospitalization Program services for which payment might have been made, in whole or in part, from the Medicare Program.

OVERT ACTS

In furtherance of the conspiracy and to effect its object, one or more of the conspirators, within the Southern District of Florida, and elsewhere, during the time period covered by this count of the Indictment, committed one or more of the following overt acts, among others:

68. Defendants made and caused offers of payment to be made to owners, operators and administrators of ALFs in exchange for the referral of ALF residents to Oakland Community Health Center Inc. for Partial Hospitalization Program services for which payment might have been made, in whole or in part, from the Medicare Program.

69. Defendants made and caused payments, both cash and in-kind, to be made to owners, operators and administrators of ALFs in exchange for the referral of ALF residents to Oakland Community Health Center Inc. for Partial Hospitalization Program services for which payment might

have been made, in whole or in part, from the Medicare Program.

All in violation of Title 18, United States Code, Section 371.

COUNT 25
(CONSPIRACY TO RECEIVE KICKBACKS)
(18 U.S.C. § 371)

70. The allegations contained in paragraphs 1 through 28 of this Indictment are incorporated as if fully set forth herein.

71. From in or about August 1996, and continuing to in or about December 2002, the exact dates being unknown to the Grand Jury, at Broward County, in the Southern District of Florida and elsewhere, the defendants,

ALTHEA N. GRAVES,
a.k.a. Althea Richards, and
BERNARD R. GRAVES Jr.,

did knowingly and willfully combine, conspire, confederate and agree with each other and with other persons known and unknown to the Grand Jury to commit an offense against the United States, that is, to knowingly and willfully solicit and receive remuneration, that is, kickbacks and rebates, in return for ordering items and services for which payment may be made in whole or in part under the Medicare Program, in violation of Title 42, United States Code, Section 1320a-7b(b)(1).

OBJECT OF THE CONSPIRACY

72. It was the object of the conspiracy that the defendants would unlawfully solicit and receive money, in the form of kickbacks and rebates, from vendors providing services to and receiving payments from Oakland Community Health Center Inc. for which Oakland Community Health Center Inc. might receive reimbursement from the Medicare Program.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendants sought to accomplish the object of the conspiracy included the following:

73. The defendants solicited and caused the solicitation of payments from one or more vendors providing services to Oakland Community Health Center Inc. in exchange for ordering items and services for which payment might have been made, in whole or in part, from the Medicare Program.

74. The defendants received and caused receipt of payments from one or more vendors providing services to Oakland Community Health Center Inc. in exchange for ordering items and services for which payment might have been made, in whole or in part, from the Medicare Program.

OVERT ACTS

In furtherance of the conspiracy and to effect its object, one or more of the conspirators, within the Southern District of Florida, and elsewhere, during the time period covered by this count of the Indictment, committed one or more of the following overt acts, among others:

75. Defendants solicited and caused payments to be solicited from vendors receiving payments from Oakland Community Health Center Inc. in exchange for ordering items and services for which payment might have been made, in whole or in part, from the Medicare Program.

76. Defendants received and caused payments to be received from vendors receiving payments from Oakland Community Health Center Inc. in exchange for ordering items and services for which payment might have been made, in whole or in part, from the Medicare Program.

77. The acts listed in Counts 26 through 42 of this Indictment are incorporated herein by reference as overt acts.

All in violation of Title 18, United States Code, Section 371.

COUNTS 26-42
(Receipt of Kickbacks)
42 U.S.C. § 1320a-7b(b)(1)

78. The allegations contained in paragraphs 1 through 28 of this Indictment are incorporated as if fully set forth herein.

79. On or about the dates enumerated below, in Broward County, in the Southern District of Florida, the defendants,

ALTHEA N. GRAVES,
a.k.a. Althea Richards,
BERNARD R. GRAVES Jr.,

did knowingly and willfully solicit and receive remuneration, that is, the kickbacks and rebates set forth below, in return for ordering items and services for which payment may be made in whole or in part under the Medicare Program:

Count	Date	Payment
26	10/1/01	Cash payment of approximately $4,000 from M.E.
27	11/16/01	Check #974 drawn on National Billing's account at Suntrust Bank payable to Medusa in the amount of $10,000
28	11/16/01	Check #975 drawn on National Billing's account at Suntrust Bank payable to Coral Tech, Inc. in the amount of $1,751.21
29	11/16/01	Check #976 drawn on National Billing's account at Suntrust Bank payable to Ocean Reef in the amount of $1,900
30	12/18/01	Check #987 drawn on National Billing's account at Suntrust Bank payable to Medusa Designs in the amount of $2,016

Count	Date	Payment
31	12/18/01	Check #988 drawn on National Billing's account at Suntrust Bank payable to Piresa Enterprises in the amount of $5,000
32	1/28/02	Check #1001 drawn on National Billing's account at Suntrust Bank payable to Tata D'Avilla, Inc. in the amount of $5,000
33	2/6/02	Check #1006 drawn on National Billing's account at Suntrust Bank payable to S.G. in the amount of $1,700
34	2/6/02	Check #1007 drawn on National Billing's account at Suntrust Bank payable to Medusa in the amount of $3,800
35	2/6/02	Check #1008 drawn on National Billing's account at Suntrust Bank payable to Glass Menagerie in the amount of $1,000
36	2/6/02	Check #1010 drawn on National Billing's account at Suntrust Bank payable to Mersch Travel in the amount of $4,000
37	2/6/02	Check #1011 drawn on National Billing's account at Suntrust Bank payable to A.D. in the amount of $1,500
38	3/15/02	Check #1021 drawn on National Billing's account at Suntrust Bank payable to Masters Touch in the amount of $2,500
39	3/15/02	Cash payment of approximately $6,000 from M.E.
40	5/8/02	Cash payment of approximately $5,000 from M.E.
41	6/5/02	Cash payment of approximately $8,000 from M.E.
42	7/19/02	Cash payment of approximately $7,000 from M.E.

All in violation of Title 42, United States Code, Section 1320a-7b(b)(1)(B) and Title 18, United States Code, Section 2.

COUNT 43
(Conspiracy to Launder Money)
18 U.S.C. §1956(h)

80. The allegations contained in paragraphs 1 through 28 of this Indictment are incorporated as if fully set forth herein.

CONSPIRACY

81. From in or about August 1996, and continuing to in our about January 2003, the exact dates being unknown to the Grand Jury, at Broward County, in the Southern District of Florida, and elsewhere, the defendants,

ALTHEA N. GRAVES,
a.k.a. Althea Richards,
BERNARD R. GRAVES Jr., and
YVONNE MAY RICHARDS,
a.k.a. Yvonne Howell,

did knowingly combine, conspire, confederate and agree, together, and with others known and unknown to the Grand Jury, to commit offenses under Title 18, United States Code, Section 1956, that is:

(a) to conduct and attempt to conduct financial transactions affecting interstate commerce which transactions involved the proceeds of specified unlawful activity, that is, acts and activities constituting Federal health care fraud offenses as defined in Title 18, United States Code, Section 24, with the intent to promote the carrying on of such specified unlawful activity, and that while conducting and attempting to conduct such financial transactions, knowing that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(A)(i); and

(b) to conduct and attempt to conduct financial transactions affecting interstate commerce which transactions involved the proceeds of specified unlawful activity, that is, acts and activities constituting Federal health care fraud offenses as defined in Title 18, United States Code, Section 24, knowing that these transactions were designed in whole or in part to conceal and disguise the nature, location, source, ownership and control of the proceeds of a specified unlawful activity, and knowing that the property involved in the financial transactions represented proceeds of some form of unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i).

OBJECT OF THE CONSPIRACY

82. It was the object of the conspiracy that the defendants would promote and perpetuate a scheme to defraud Medicare by paying kickbacks with the proceeds of the fraud scheme. It was further the object of the conspiracy that the defendants would conceal portions of the proceeds from the scheme to defraud Medicare.

MANNER AND MEANS

The manner and means by which the defendants sought to accomplish the objects of the conspiracy included the following:

83. The defendants would pay and cause the payment of kickbacks and bribes to owners, operators and administrators of Assisted Living Facilities using money received from Medicare as a result of the submission of false and fraudulent claims for services not rendered, for services not rendered as claimed, for medically unnecessary services, and for non-qualifying services.

84. The defendants in an attempt to conceal portions of the proceeds from the scheme to defraud Medicare, would issue and cause the issuance of Oakland Community Health Center Inc. checks payable to Oakland Community Health Center Inc.'s vendors in inflated amounts and have

the vendors kickback or rebate portions of the paid amount in cash to the defendants, in the form of checks payable to other businesses owned by the defendants, and in the form of checks payable to third parties on the defendants' behalf.

85. The defendants, in an attempt to conceal portions of the proceeds from the scheme to defraud Medicare, would pay personal expenses of the defendants with Oakland Community Health Center Inc. checks disguised as payments to Oakland Community Health Center Inc.'s vendors.

86. The defendants, in an attempt to conceal portions of the proceeds from the scheme to defraud Medicare, would pay non-Oakland Community Health Center Inc. business expenses of the defendants with Oakland Community Health Center Inc. checks disguised as payments to Oakland Community Health Center Inc.'s vendors.

87. The defendants, in an attempt to conceal portions of the proceeds from the scheme to defraud Medicare, would pay personal expenses of the defendants with Oakland Community Health Center Inc. checks disguised as employee payroll expense of Oakland Community Health Center Inc.

All in violation of Title 18, United States Code, Section 1956(h).

FORFEITURE ALLEGATIONS

88. Paragraphs 1 through 87 of this Indictment are incorporated as though set forth fully herein.

89. Counts 1 through 25 of this Indictment, which are incorporated by reference herein, charge defendants ALTHEA N. GRAVES, BERNARD R. GRAVES Jr., and YVONNE MAY RICHARDS with committing Federal health care fraud offenses as defined by Title 18, United States Code, Section 24. Pursuant to Title 18, United States Code, Section 982(a)(7), defendants ALTHEA N. GRAVES, BERNARD R. GRAVES Jr., and YVONNE MAY RICHARDS shall forfeit to the United States of America the property, real and personal, that constitutes and is derived, directly and indirectly, from the gross proceeds traceable to the commission of these offenses, such property to include, but not limited to the following property:

a. $10,000,000 in United States currency.

b. Real Property as follows:

i. All that lot or parcel of land, together with its buildings, improvements, fixtures, attachments and easements located at 8450 SW Yellowtail Court, Stuart, Florida, 34997-4848, and more particularly described as:

Lot 12 of LAKE TUSCANY, according to the Plat thereof as recorded in Plat Book 15, Page(s)60 of the Public Records of Martin County, Florida, Parcel Identification Number 06-39-41-010-000-00120.00000.

ii. All that land or parcel of land, together with its buildings, improvements, fixtures, attachments and easements located at 2124 Panther Southwest Panther Trace, Stuart, Florida, 34997, and more particularly described as:

Lot 65, LAKE TUSCANY, According to the Plat thereof, as recorded in Plat Book 15, Page 60, of the Public Records of Martin County, Florida.

iii. Lot 34, MEADOWLANDS PHASE 3, a subdivision recorded in Plat Book 8, Pages 7-10, Columbia County, Florida, subject to Deed Restrictions recorded in Official Records Book 1038, Pages 852-853, Columbia County, Florida, and subject to Power Line Easement.

iv. Lot 59, MEADOWLANDS PHASE 4, a subdivision recorded in Plat Book 8, Pages 11-14, Columbia County, Florida, subject to Deed Restrictions recorded in Official Records Book 1038, Pages 852-853, Columbia County, Florida, and subject to Power Line Easement. Portions of this lot lie within a 100-year flood zone.

90. Count 43 of this Indictment, which is incorporated by reference herein, charges the defendants ALTHEA N. GRAVES, BERNARD R. GRAVES Jr., and YVONNE MAY RICHARDS with committing a violation of Title 18, United States Code, Section 1956. Pursuant to Title 18, United States Code, Section 982(a)(1), the defendants ALTHEA N. GRAVES, BERNARD R. GRAVES Jr., and YVONNE MAY RICHARDS shall forfeit to the United States of America the property, real and personal, that was involved in or traceable to the commission of this offense, such property to include, but not limited to the following property:

a. $10,000,000 in United States currency.

b. Real Property as follows:

i. All that lot or parcel of land, together with its buildings, improvements, fixtures, attachments and easements located at 8450 SW Yellowtail Court, Stuart, Florida, 34997-4848, and more particularly described as:

Lot 12 of LAKE TUSCANY, according to the Plat thereof as recorded in Plat Book 15, Page(s)60 of the Public Records of Martin County, Florida, Parcel Identification Number 06-39-41-010-000-00120.00000.

ii. All that land or parcel of land, together with its buildings, improvements, fixtures, attachments and easements located at 2124 Panther Southwest Panther Trace, Stuart, Florida, 34997, and more particularly described as:

Lot 65, LAKE TUSCANY, According to the Plat thereof, as recorded in Plat Book 15, Page 60, of the Public Records of Martin County, Florida.

iii. Lot 34, MEADOWLANDS PHASE 3, a subdivision recorded in Plat Book 8, Pages 7-10, Columbia County, Florida, subject to Deed Restrictions recorded in Official Records Book 1038, Pages 852-853, Columbia County, Florida, and subject to Power Line Easement.

iv. Lot 59, MEADOWLANDS PHASE 4, a subdivision recorded in Plat Book 8, Pages 11-14, Columbia County, Florida, subject to Deed Restrictions recorded in Official Records Book 1038, Pages 852-853, Columbia County, Florida, and subject to Power Line Easement. Portions of this lot lie within a 100-year flood zone.

91. If any of the above-described property, as a result of any act or omission of defendants ALTHEA N. GRAVES, BERNARD R. GRAVES Jr., and YVONNE MAY RICHARDS:

(a) cannot be located upon the exercise of due diligence;

(b) has been transferred, or sold to, or deposited with, a third party;

(c) has been placed beyond the jurisdiction of the court;

(d) has been substantially diminished in value; or

(e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 18, United States Code, Section 982(b)(1) and

Title 21, United States Code, Section 853(p) to seek forfeiture of any other property of said defendants up to the value of the above forfeitable property.

A TRUE BILL

FOREPERSON

for R. ALEXANDER ACOSTA
UNITED STATES ATTORNEY

ROBERT N. NICHOLSON
ASSISTANT UNITED STATES ATTORNEY